

NOV 16 2010

Town of Lookout Mountain TN Regulatory Authority

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November 9, 2010

Chairman Mary Freeman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

re: Docket 10-00189

Dear Chairman Freeman,

We, the Commissioners and Mayor of the Town of Lookout Mountain, Tennessee, strongly request that the TRA deny the 28% rate increase that has been requested by the Tennessee American Water Company for the Lookout Mountain area.

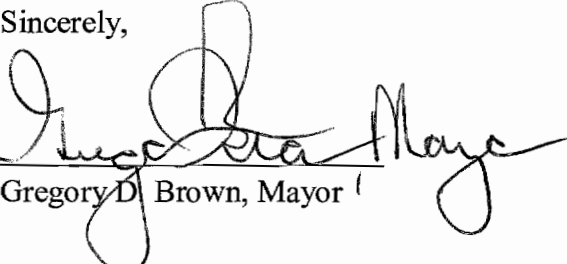
We see the requested increase as both unreasonable and unjustified, particularly in this difficult economic situation where most of our citizens are already suffering large reductions in income and for some, employment loss altogether. Now is not the time to be requesting any increase, especially not one of such great magnitude. As a commission, we have had to forgo spending we would have otherwise incurred and have held back any tax increases for these same reasons.

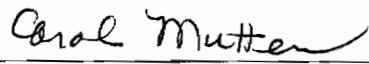
One of the most disturbing justifications that the water company gives is a stated need to spend over three million dollars for increased salary and benefits for employees. This is unreasonable given our citizens are seeing cutbacks in salaries and in small business income during this difficult time.

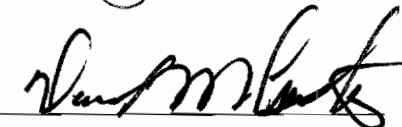
Also, the request for over three million dollars to replace lost revenues for decreased sales is unreasonable. In this economy many of our businesses are suffering lower sales. Those business owners cannot increase prices to make up for those lost sales. Instead, they must suffer lower incomes. There is no reason the water company should be immune from lower revenue from temporary lower sales .


Thank you for your work in protecting the interest of the citizens of our state.

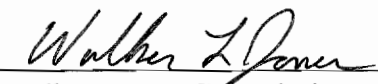
Sincerely,


Gregory D. Brown, Mayor


Carol Mutter, Commissioner


Dan Crates, Commissioner


Will Moses, Commissioner


Walker Jones, Commissioner

cc: Director Kenneth C. Hill
Director Eddie Roberson
Director Sara Kyle
Lisa Cooper-Chief of Consumer Services
Sharla Dillon c/o Docket Room